

Margaret M. Jacobson

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EDUCATION

Ph.D. Economics, Indiana University, 2014-2020 (expected)
 National Science Foundation Graduate Research Fellowship

M.A. Economics, Indiana University, 2015

B.A. Economics and French, Oberlin College, 2011
 Postbac Mathematics, Cleveland State University, 2011-2013

RESEARCH

Interests Macroeconomics, Housing, Monetary and Fiscal Policy

Fields Monetary, Econometrics, Finance

Committee Eric M. Leeper, Todd B. Walker (co-chairs), Bulent Guler, Yoosoon Chang,
 Robert Becker

Publications

“[Liquidity Provision During the Crisis of 1914: Private and Public Sources](#),” with Ellis W. Tallman. *Journal of Financial Stability*, Volume 17, April 2015, Pages 22-34.

Working Papers

“[Recovery of 1933](#),” with Eric M. Leeper and Bruce Preston.

When Roosevelt abandoned the gold standard in April 1933, he converted what had been effectively real government debt into nominal government debt to open the door to unbacked fiscal expansion. We argue that he followed a state-contingent fiscal rule that ran nominal-debt-financed primary deficits until the price level rose and economic activity recovered. Theory suggests that government spending multipliers can be substantially larger when fiscal expansions are unbacked than when they are tax-backed. VAR estimates find that primary deficits made quantitatively important contributions to raising both the price level and real GNP from 1933 through 1937. The evidence does not support the conventional monetary explanation that gold revaluation and gold inflows, which were permitted to raise the monetary base, drove the recovery independently of fiscal actions.

“[The Federal Reserve System and World War I: Designing Policies Without Precedent](#),” with Ellis W. Tallman

The Federal Reserve System failed to prevent the collapse of intermediation during the Great Depression (1929-1933) and took action as if it was unaware of policies that should have been taken in the event of widespread bank runs. The National Banking Era panics and techniques to alleviate them should have been useful references for how to alleviate a financial crisis. We suggest that the overwhelming effort to finance World War I combined with a perspective held by contemporary Federal Reserve officials that the central bank legislation was sufficient to overcome financial crises are key reasons why the historical experiences were overlooked.

Works in Progress

“Beliefs, Aggregate Risk, and the U.S. Housing Boom”

This paper investigates the quantitative importance of the interaction of beliefs with credit conditions in explaining the run-up of house prices during the U.S. housing boom in a general equilibrium macro model with household heterogeneity. To allow for interacting beliefs and credit conditions while maintaining computational tractability, I will introduce adaptive expectations into a life-cycle model with aggregate risk, incomplete markets and defaultable debt. I will compare results from the model solved under adaptive expectations derived from ZIP code level house price data to results solved under rational expectations. Although house prices grew by 40 percent relative to their pre-boom level in the data, looser credit conditions and positive income shocks only generate a 5 percent increase in house prices under rational expectations in the model.

Federal Reserve Publications

“Do Forecasters Agree on a Taylor Rule?” with Charles Carlstrom. *Economic Commentary*, September 2015.

“New Rules for Credit Default Swap Trading: Can We Now Follow the Risk,” with John Carlson *Economic Commentary*, June 2014.

“The Overhang of Structures Before and Since the Great Recession,” with Filippo Occhino. *Economic Commentary*, April 2014. *Media: Wall Street Journal, Washington Post.*

“Labor’s Declining Share of Income and Rising Inequality,” with Filippo Occhino. *Economic Commentary*, September 2012. *Media: FT Alphaville, Slate, Reuters, CNN, Crain’s Cleveland Business, Bloomberg View.*

Over **30** *Economic Trends* pages on topics including the economic outlook, monetary policy, inflation, and labor markets.

PROFESSIONAL EXPERIENCE (upcoming*)

Dissertation Fellow	Federal Reserve Board, Fall 2019*
CSWEP Dissertation Fellow	Federal Reserve Bank of Chicago, Summer/Fall 2019 Bureau of Economic Analysis, Summer 2019
Thomas J. Sargent Fellow	Federal Reserve Bank of San Francisco, Summer 2018
Ph.D. Intern	Federal Reserve Bank of Cleveland, Summer 2017
Research Assistant	Indiana University Todd B. Walker, Summer 2015 Eric M. Leeper, 2014-2015
Senior Research Analyst	Federal Reserve Bank of Cleveland, 2014
Research Analyst	Federal Reserve Bank of Cleveland, 2011-2013
Freelance Research Assistant	Warren Weber, 2013-2014

FELLOWSHIPS

Indiana University College of Arts and Sciences Dissertation Research Fellowship, 2018-2019

National Science Foundation Graduate Research Fellowship, 2015-2018

Indiana University Department of Economics Fellowship, 2014-2015

Indiana University Department of Economics Distinguished Alumni Fellowship, 2014-2015

PROFESSIONAL ACTIVITIES

Academic Presentations (upcoming*)

- 2019 Society for Economic Dynamics
Midwest Macro Meetings
- 2018 Midwest Macro Meetings
Trinity of Stability Webinar Series
Macro Financial Modeling Summer Session Poster Session
Federal Reserve Bank of Cleveland Financial and Monetary History Workshop
- 2017 Macro Financial Modeling Summer Session Poster Session
XIX Annual Inflation Targeting Seminar of the Banco Central do Brasil
Jordan River Conference
Rutgers University
American Economic Association Annual Meeting Poster Session
- 2016 Missouri Valley Economic Association
Trinity of Stability Poster Session at the Deutsche Bundesbank
Next Steps for the Fiscal Theory of the Price Level at the University of Chicago
- 2013 Midwest Economic Association

Invited Discussions

- 2018 Sovereign Debt: A Guide for Economists and Practitioners at the International Monetary Fund

Federal Reserve Presentations

- 2014 Trend Inflation, Federal Reserve Bank of Cleveland
- 2013 Economic Outlook, Women's City Club Investment Group
- 2012 Economic Outlook, MBA students from the Ohio State University Fisher College of Business, undergraduate students from West Liberty University

Interviews

- 2017 American Economic Association Annual Meeting Poster Session
- 2016 Next Steps for the Fiscal Theory of the Price Level (Becker Friedman Institute)

Referee

European Economic Review, Scandinavian Economic History Review

COMPUTER SKILLS

Extensive knowledge of Fortran, MATLAB, Stata, and L^AT_EX
Working knowledge of Python (web scraping), R, SAS, Tableau, Adobe Photoshop, Open MP, Bloomberg certified

PERSONAL

Citizenship: USA, Latvia
Born: 1989, Phoenix, Arizona
Language: English (native), French (fluent)